

TOWN OF ADDISON
ORDINANCE NO. _____

AN ORDINANCE OF THE TOWN OF ADDISON, TEXAS PROVIDING FOR INCREASED PRIOR AND CURRENT SERVICE ANNUITIES UNDER THE ACT GOVERNING THE TEXAS MUNICIPAL RETIREMENT SYSTEM FOR RETIREES AND BENEFICIARIES OF DECEASED RETIREES OF THE TOWN OF ADDISON, AND ESTABLISHING AN EFFECTIVE DATE FOR THE ORDINANCE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS:

Section 1. Increase in Retirement Annuities

- (a) On the terms and conditions set out in Section 854.203 of Subtitle G of Title 8, Government Code, as amended (the "TMRS Act"), the town of Addison, Texas (the "City") hereby elects to allow and to provide for payment of the increases below stated in monthly benefits payable by the Texas Municipal Retirement System (the "System") to retired employees and to beneficiaries of deceased employees of the City under current service annuities and prior service annuities arising from service by such employees to the City. An annuity increased under this section replaces any annuity or increased annuity previously granted to the same person.
- (b) The amount of the annuity increase under this section is computed as the sum of the prior service and current service annuities on the effective date of retirement of the person on whose service the annuities are base, multiplied by 70% of the percentage change in Consumer Price Index for all Urban Consumers, from December of the year immediately preceding the effective date of the person's retirement to the December that is 13 months before the effective date of the increase under this Section.
- (c) An increase in an annuity that was reduced because of an option selection is reducible in the same proportion and in the same manner that the original annuity was reduced.
- (d) If a computation hereunder does not result in an increase in the amount of an annuity, the amount of the annuity will not be changed hereunder.
- (e) The amount by which an increase under this Section exceeds all previously granted increases to an annuitant is an obligation of the City and of its account in the Benefit Accumulation Fund of the System.

Section 2. Effective Date. Subject to approval by the Board of Trustees of the System, this ordinance shall be and become effective on the 1st day of January 2016.

OFFICE OF THE CITY SECRETARY

ORDINANCE NO. _____

PASSED AND APPROVED by the City council of the Town of Addison, Texas this the 13th day of October, 2014.

Todd Meier, Mayor

ATTEST:

By: _____

Laura Bell, City Secretary

APPROVED AS TO FORM:

By: _____

Brenda N. McDonald, Attorney